

August 27, 2002

Marlene H. Dortch, Secretary
Office of the Secretary
Federal Communications Commission
445 12th St SW CY-B402
Washington DC 20554

RE: WC Docket No. 02-148

The Federal Communications Commission (FCC) has asked interested parties to respond to an August 20, 2002 *ex parte* filing by Qwest Corporation (Qwest) in this docket. The *ex parte* filing related to unfiled agreements that Qwest entered into with competitive local exchange carriers.

Since April of this year, the Oregon Public Utility Commission staff has been investigating Qwest's unfiled Oregon contracts such as the ones that are the topic of the *ex parte* filing. Our staff has reviewed approximately 78 such contracts. Their impression so far is that Qwest should have filed many but not all of these agreements. They are working with Qwest to develop a list of the agreements that should be filed. If no agreement with Qwest can be reached, then I expect that staff will ask us to open a formal, docketed investigation under ORS 759.455. Under this statute, the commission can seek penalties if the company fails to remedy a violation "within a specified period of time" and/or undertake other court actions to enforce the law of the state.

AT&T raised the issue of unfiled contracts in Oregon's section 271 proceeding, Docket No. UM 823, during our consideration of the public interest standard. AT&T requested that review of the unfiled agreements be consolidated with our section 271 proceeding. In the final recommendation that we issued on August 19, 2002, we concluded that any impropriety related to failure to file the contracts in question was not significant enough to cause us to delay making an affirmative recommendation to the FCC. We concluded that the FCC should approve Qwest's yet-to-be-filed application to provide in-region interLATA services in Oregon.

I hope this information as to how Oregon has dealt with the issue of unfiled contracts helps. If you need additional information, you can find it on our web site at <http://www.puc.state.or.us/dockets/um823/um823fin.pdf>, or feel free to contact Phil Nyegaard at 503-378-6436.

Joan H. Smith
Commissioner